Message Text

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E.O. 11652: N/A TAGS: EAGR, VE

SUBJ: VENEZUELAN PURCHASE OF U.S. LIVESTOCK

REF: FASTO 30 AND TOFAS 39

- 1. AGATT OFFICE RECEIVED CALL YESTERDAY FROM MR. JIM EUBANKS, CHAMBER OF COMMERCE IN AMARILLO, TEXAS, INQUIRING FURTHER ABOUT THE TRANSACTION DISCUSSED IN REF CABLES. EUBANKS REPORTED THE FOLLOWING. NEGOTIATIONS ARE CURRENTLY UNDERWAY FOR VENEZUELAN PURCHASE LARGE NUMBERS OF CATTLE FROM U.S. TRANSACTION BEING NEGOTIATED BY A MR. CORZATT, CORZATT LIVESTOCK SERVICE, AMARILLO, AND A DR. MANUEL LOPEZ RIVAS, AGROGANADERIA INTERNACIONAL DE INVERSIONES, CARACAS. ALSO, A MR. JUAN SANCHEZ PERNIA HAS BEEN TO TEXAS TO DISCUSS POSSIBILITY OF PURCHASE. VENEZUELAN ATTORNEY HANDLING LEGAL MATTERS REPORTED TO BE A MR. MIGUEL MORENO (OR PERHAPS SPELLING MARINO).
- 2. SUBSEQUENT INVESTIGATIONS BY THIS OFFICE REINFORCED MR. EURBANKS REPORT. PERSONAL CONVERSATIONS WITH MR. CORZATT REVEALED THAT HE IS NEGOTIATING NOT ONLY SALE OF APPROXIMATELY 60,000 HEAD RAHMAN HEIFERS FOR BREEDING STOCK, BUT ALSO 2,000 BRAHMAN BULLS, DRESSED BEEF, AND OVER 5,000 BREEDING SWINE. PRESENT IDEA IS TO AIRLIFT ANIMALS FROM TEXAS TO MAIQUETIA AIRPORT, CARACAS.

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3. CORZATT STATED THAT NEGOTIATIONS HAVE NOT YET REACHED THE STAGE

OF SEEKING VENEZUELAN GOVERNMENT APPROVAL FOR FINANCING AND IMPORTATION, HE STATED, HOWEVER, THAT HE HAS BEEN ASSURED BY THE ATTORNEY MIGUEL MORENO (MARINO) THAT GOVERNMENT APPROVAL WILL BE FORTHCOMING, DEVOID OF ANY HANGLIPS

- 4. CORZATT CLAIMS OPTIMISM THAT SOME TYPE OF AGREEMENT WILL BE REACHED, ALTHOUGH IT MAY NOT BE FOR THE COMPLETE QUANTITIES CURRENTLY UNDER NEGOTIATION. HE INDICATED THAT HE WILL KEEP THIS OFFICE POSTED AS THINGS PROGRESS. HE EXPRESSED NO SPECIAL INTEREST IN RECEIVING ASSISTANCE FROM THIS OFFICE, NOR FROM CONGRESSMAN PRICE AT THIS TIME.
- 5. HAVE REPORTED THIS INFORMATION, IN MORE GENERAL TERMS, BACK TO MR. EUBANKS.
- 6. COMMENT: IN CONVERSATIONS WITH OTHER LOCAL CONTACTS NOTED IN PREVIOUS REF TOFAS, NO ONE IN RELEVANT GOVERNMENT AGENCIES OR IN LIVESTOCK ASSOCIATIONS SEEMS YET AWARE OF ONGOING NEGOTIATIONS. IN FACT, INFORMATION HAS BEEN RESTRICTED ALMOST EXCLUSIVELY TO NEGOTIATING PARTIES. ANY ULTIMATE DEAL WILL REQUIRE GOVERNMENT APPROVAL. INSOFAR AS PRESENT GOVERNMENT HAS STRONG INTEREST IN AGRICULTURAL DEVELOPMENT IT IS NOT INCONCEIVABLE THAT PERMISSION WILL BE GRANTED. STRENGTH OF CORZATT'S CONFIDENCE THAT APPROVAL IS NO BARRIER NOW RESTS WITH IDEA THAT ATTORNEY MORENO (MARINO) HAS INSIDE CONNECTIONS WITH APPROPRIATE GOVERNMENT SOURCES. DESPITE THIS POSSIBILITY. IT SEEMS UNLIKELY THAT DEAL OF THIS MAGNITUDE COULD ESCAPE THE ATTENTION OF THE RELATIVELY POWERFUL LIVESTOCK ASSOCIATIONS, WHICH MAY RESIST IT AS A PRIVATE, INDEPENDENT UNDERTAKING.
- 7. ALSO, ALTHOUGH NOT APPRENTLY CONCERNED, MR. CORZATT ACKNOWLEDGED THAT THE MOBILIZATION OF AIRCRAFT TO TRANSPORT SUCH LARGE NUMBERS OF LIVE ANIMALS WILL PRESENT DIFFICULTY. DELIVERY PERIOD IS APPARENTLY

STILL UNESTABLISHED, BUT EVEN WITH LONG PERIOD OF TIME. DELIVERY WOULD PRESENT FORMIDABLE EFFORT. IT IS POSSIBLE THAT MR. CORZATT HAS SOMETHING SPECIFIC IN MIND.

8. FINALLY IN EFFORTS TO LOCATE INDIVIDUALS TO VERIFY TRANSACTIONS, WE WERE UNABLE TO LOCATE AN ATTORNEY BY THE NAME OF MUGUEAL MORENO OR MARINO. ALTHOUGH ALL ATTORNEYS SHOULD BE REGISTERED WITH THE LIMITED OFFICIAL USE

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SOCIAL INSTITUTE OF ATTORNEYS, HIS NAME DOES NOT APPEAR ON THEIR REGISTRY. IT IS FELT POSSIBLE, HOWEVER, THAT THERE MAY BE SOME EXPLANATION FOR THIS ABOUT WHICH WE ARE UNAWARE.

- 9. CORZATT HAS ASKED THAT TRANSACTION BE KEPT IN CONFIDENCE WITHIN AGENCY, BUT DID NOT OBJECT TO INFORMING CONGRESSMAN PRICE.
- 10. WILL CABLE SOONEST ANY FURTHER DEVELOPMENTS AS WE HEAR OF

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